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7 July 1958

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CENTRAL INTELLIGENCE BULLETIN



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Next 1 Page(s) In Document Exempt

CENTRAL INTELLIGENCE BULLETIN

7 July 1958

DAILY BRIEF

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I. THE COMMUNIST BLOC

Geneva: When the Geneva talks resumed on 4 July after a one-day recess, the Soviet bloc experts dropped, at least temporarily, their initial insistence that they would refuse to proceed with technical discussions until the Western delegation made an "unequivocal" statement agreeing that the talks must be directed toward a cessation of nuclear tests. This shift in tactics probably reflects Moscow's reluctance to risk an early breakoff on this issue. The bloc delegates' moves during the third and fourth sessions suggest, however, that their instructions are to pursue their political aims by more indirect means designed to create the impression that the Western experts have agreed on the desirability of a test cessation. [redacted]

Khrushchev - Communist China: Khrushchev is reported to be planning a trip to Peiping in the near future--evidently after his return from the East German party congress, which ends 16 July. One purpose of such a visit would probably be to work out a unified Sino-Soviet position for continuing the campaign against "revisionism," on which Peiping has taken a line somewhat different from Moscow's for much of the past two years. [redacted]

Soviet Union - Yugoslavia: Tito's 4 July speech and remarks by Khrushchev in Leningrad indicate that no early reconciliation can be expected in the Moscow-Belgrade dispute. Tito declared that "we Yugoslav leaders will not spare our lives for our principles," while Khrushchev, denying that he was condemning the Yugoslav people, said that the USSR will continue

to fight those leaders who "preach revisionist views." Belgrade on 5 July announced that the Yugoslavs "are not willing" to accept the recent Soviet invitation to negotiate economic questions in connection with previously postponed credits.

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II. ASIA-AFRICA

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Indonesia: The Indonesian Army is developing a plan to delay the 1959 general elections but expects a vigorous reaction from the Communists. The Communists, already the strongest party in Java, are working energetically toward the elections and intend to put particular stress on their campaign in non-Javanese areas. President Sukarno is unlikely to support the army's plan.

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Pakistan-Kashmir: The Pakistani cabinet on 3 July authorized Prime Minister Noon to advise President Mirza to impose President's Rule in West Pakistan if popular agitation on the Kashmir issue continues to grow. Opposition attacks on the government for preventing volunteers from crossing the cease-fire line are causing the government considerable apprehension and may force it to take a stronger line on the Kashmir issue.

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7 July 58

DAILY BRIEF

ii

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Morocco-France: The Moroccan Government has taken the position that negotiations with France regarding French retention of military training bases in Morocco begin only after a sizable evacuation of French forces. The Moroccan premier has also asked that the French scale down their request for nine air and naval bases.

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III. THE WEST

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De Gaulle's Algerian policy: Premier de Gaulle will probably not propose a specific solution for Algeria until the October referendum on French constitutional reform shows whether his appeal for Moslem support and his stepped-up military operations against the rebels have been effective. The rebels have ordered a boycott of the referendum, but they might be willing to undertake secret negotiations toward the autonomy status De Gaulle seems to favor.

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Cuba: Raul Castro's Communist-infiltrated forces often operate without direct orders from his brother Fidel, the leader of the anti-Batista rebellion. There is some evidence that Raul Castro may be planning to retain a few of the Americans recently seized as he may fear that the Cuban Army will resume its all-out offensive when all are released.

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7 July 58

DAILY BRIEF

iii

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I. THE COMMUNIST BLOC

Soviet Bloc Delegates Shift Tactics in Geneva Talks

On the resumption of the Geneva technical talks on 4 July, Y. K. Federov, chairman of the Soviet bloc delegation, noted that the two sides have established a "general ground sufficient for our work." This statement represented at least a temporary abandonment of Federov's insistence during the first two sessions that his delegation would refuse to take up technical discussions until the Western delegation made an "unequivocal" statement agreeing that the talks should "lead to" and "pave the way" for an agreement on test cessation.

Moscow probably decided that an early breakoff on the issue of a prior commitment by the West to a test cessation would place the USSR in an unfavorable propaganda position. The bloc experts' moves during the third and fourth sessions suggest, however, that they have received instructions to pursue the same political objectives by more indirect methods designed to create the impression that the Western experts have agreed on the desirability of a test cessation.

During the third session on 4 July, Federov proposed an agenda which, after discussion, was adopted by the conference. The third item in this agenda calls for a discussion of "the control system for observing an agreement on nuclear test cessation." The final item proposes that the delegates prepare reports to be presented to their governments covering "conclusions and suggestions concerning the control system to observe an agreement on nuclear test cessation." The Soviet bloc delegates may later contend that the Western delegation's approval of this particular agenda constitutes an acceptance of the Soviet thesis that the talks must be "subordinated" to the "main task" of achieving a test-cessation agreement. Federov concluded the session with a proposal that this agenda be made public immediately, but dropped this suggestion when the chairman of the Western delegation requested an opportunity to consider the matter.

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Khrushchev Visit to Communist China

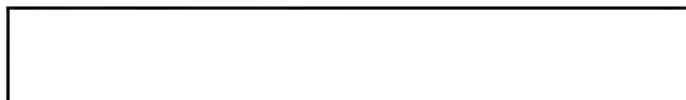
Khrushchev is reported to be planning a trip to Peiping in the near future--presumably some time after his return from the East German party congress, which ends on 16 July. One purpose of such a visit would probably be to work out a unified Sino-Soviet position for continuing the campaign against "revisionism."

For much of the past two years Peiping has embarrassed Moscow by taking a somewhat different line on problems in intrabloc relations. From the fall of 1956 to June 1957, the Chinese line was more liberal than Moscow's, urging tolerance and patience. Following the failure of Mao Tse-tung's experiment with "liberalization" in China itself, Mao and his lieutenants since June 1957 have been united in a very harsh line on "revisionism." Since May of this year, Peiping has exceeded the Kremlin in its harshness.

While it is uncertain whether Peiping's line since May has in fact been intended to pressure Khrushchev to take a harder position toward Yugoslavia and Poland, this has been widely interpreted to be the case, particularly by the Poles. Khrushchev is presumably concerned, at a minimum, with removing the grounds for future speculation about Sino-Soviet differences in this area. The Soviet leader may possibly be concerned with the larger question of persuading the Chinese leaders that he knows more about Eastern European affairs than they do, and that his lead--whether in a hard or a soft direction at a given moment--should be closely followed.



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Indonesian Army Plans Postponement of 1959 Elections

Indonesian army leaders are formulating plans to delay the 1959 general elections as a means of obstructing Communist growth,

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The Communists apparently are already aware of army designs. According to Indonesian press reports of 4 July, Communist party Deputy Secretary General Lukman had sent identical telegrams to the prime minister, the ministers of justice and interior, and the chairman of the Central Election Committee stating that the Communist party opposes postponement of the 1959 elections since such action would be an abridgment of the people's fundamental rights. The telegram urged that government officials not be allowed "deliberately to sabotage" election preparations.

The elections are currently scheduled for 29 September 1959 in compliance with the provisional constitution which calls for parliamentary elections every four years. The information minister announced in late May that the government had no intention of postponing them if the domestic situation "remains unchanged." President Sukarno is unlikely to support the army's plan.

The Communists are already planning their campaign and intend to concentrate on non-Javanese areas. The non-Communist parties appear to be making no election plans. One of them, the National party, is quietly supporting army postponement activity. In the 1955 general elections, the Communists won 16 percent of the popular vote throughout Indonesia and 24 percent of the vote in Java, where 60 percent of Indonesia's population is concentrated. In the 1957 local elections in Java, they jumped from third largest to the largest party, winning 30 percent of the popular vote.

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Kashmir Agitation May Cause Imposition of President's Rule in West Pakistan

The Pakistani Government's action in preventing volunteers from crossing the Kashmir cease-fire line apparently has caused increased antigovernment agitation in West Pakistan. The cabinet on 3 July authorized Prime Minister Noon to advise President Mirza to impose President's Rule and take over direct administration of the province if the agitation continues to mount. Even if the government is successful in curbing the demonstrations through less drastic measures, it may be forced by popular pressure to take a more forceful stand on the Kashmir issue.

Mirza may see the demonstrations as an opportunity, through the imposition of President's Rule, to bring about a political realignment and the postponement of national elections scheduled for November. He may therefore have induced the cabinet to act as it did. President's Rule is already in effect in East Pakistan following the recent fall of two governments in rapid succession.

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Moroccan Position Regarding French Evacuation Proposals

Moroccan Premier Balafrej has proposed, in response to France's recent indication that it was ready to negotiate the evacuation of a sizable number of French ground forces from Morocco, that letters be exchanged between the two governments in which France would declare its intention of withdrawing ground forces in accordance with an agreed timetable. He also requested that negotiations regarding the retention by France of military training bases begin only when this evacuation had been completed and that the number of bases be scaled down from the nine air and naval bases desired by France. Balafrej apparently has patterned his demands after Tunisian maneuvers leading to France's agreement on 17 June to evacuate all its military forces in Tunisia except those at Bizerte.

Negotiations of a timetable may be difficult because Morocco already has demanded that French forces in eastern Morocco be withdrawn immediately, while France desires to maintain some bases near the Algerian border, at least for the time being. Moreover, the recently stepped-up agitation by the Istiqlal party for evacuation of all military forces from Morocco, together with the intermittent refusal by local authorities to admit French soldiers returning to duty in Morocco after furlough, seems certain to complicate the evacuation issue.

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III. THE WEST

De Gaulle's Algerian Policy

It seems increasingly clear that Premier de Gaulle will avoid proposing a specific solution for the Algerian problem until after the October referendum on French constitutional reform. In the meantime, he will intensify military operations against the Algerian National Liberation Front (FLN) and strive to win mass Moslem participation in the referendum.

A spokesman for General Gambiez--commander of French forces in Tunisia, who recently talked with De Gaulle--believes the premier wants a federal system in which an autonomous Algeria would be an equal member with France. He believes the French Army would back such a proposal regardless of the attitude of settler extremists. He said French policy was to split the FLN from Tunisia and Morocco, and to split the hard-line military leaders from political leaders such as Ferhat Abbas.

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The FLN, which already has ordered a boycott of the October referendum, would probably be willing to undertake secret negotiations toward a solution guaranteeing Algerian autonomy, but De Gaulle might be hesitant to participate immediately because of the effect on both settlers and Moslems.

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The Situation in Cuba

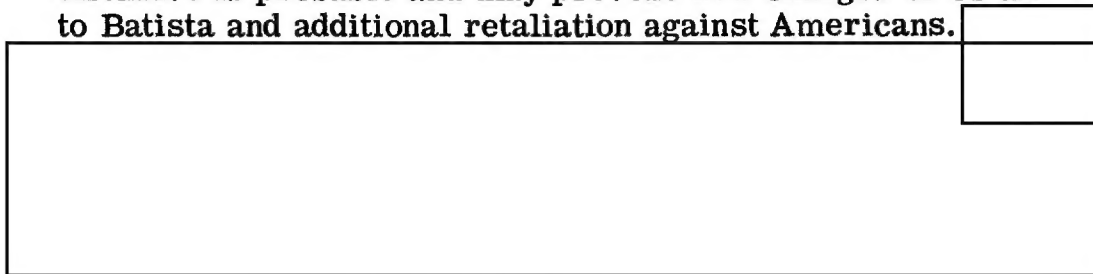
Cuban rebel forces which recently kidnaped a number of Americans may be planning to delay the release of a few of them as a safeguard against an all-out offensive from Cuban armed forces. Cuban President Batista is reinforcing his army in Oriente Province, but the government has not pressed action against the rebels since the kidnappings.

Raul Castro, whose rebel band is separated from the main forces of his brother Fidel, has assumed personal responsibility for the seizures. He had evidently planned to use them to dramatize charges of US military aid to Batista. US Consul Wollam, who negotiated the release of five prisoners, states the rebels showed him US MDAP equipment they alleged was used in attacks on rebel-held territory.

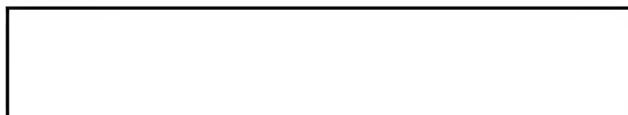
Raul Castro's well-organized forces, whose strength may have been underestimated, are apparently Communist infiltrated in some degree.

Wollam comments that an all-out renewed government offensive is probable and may provoke new charges of US aid to Batista and additional retaliation against Americans.

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